

NOTICE OF PROPOSED RULE REPEAL

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Division of Administrative Rules.

Agency Information

- Agency: Insurance - Administration
Room no.: 3110
Building: STATE OFFICE BLDG
Street address 1: 450 N MAIN ST
Street address 2:
City, state, zip: SALT LAKE CITY UT 84114-1201
Mailing address 1: PO BOX 146901
Mailing address 2:
City, state, zip: SALT LAKE CITY UT 84114-6901

Contact person(s):

Name: Phone: Fax: E-mail:

Jilene Whitby	801-538-3803	801-538-3829	jwhitby@utah.gov
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(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 34075 Date filed: 09/14/2010 04:07 PM
State Admin Rule Filing Key: 150200
Utah Admin. Code ref. (R no.): R 590 - 253 -

Title

- Title of rule or section (catchline):
Utah mini-COBRA Notification Rule.

Notice Type

- Type of notice: Repeal

Rule Purpose

- Purpose of the rule or reason for the change:
This rule was adopted to provide information and forms necessary to help a person qualified for and applying for COBRA insurance receive a subsidy to help pay for the premium. This was a result of the American Recovery and Reinvestment Act (ARRA) of 2009, Section 3001(a)(7). This subsidy was no longer available as of May 31, 2010. As a result this rule is no longer necessary.

Response Information

- This change is a response to comments by the Administrative Rules Review Committee.
No

Rule Summary

- Summary of the rule or change:

This rule was adopted to provide information and forms necessary to help a person qualified for and applying for COBRA insurance receive a subsidy to help pay for the premium. This was a result of the American Recovery and Reinvestment Act (ARRA) of 2009, Section 3001(a)(7). This subsidy was no longer available as of May 31, 2010. As a result this rule is no longer necessary.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

The repeal of this rule will not affect the workload or revenues of the department. Insurers were not required to file forms or fees with the department when the rule went into effect so no additional filings will be required with its repeal.

B) Local government:

Affected: No

Local governments will not be affected by the repeal of this rule since it dealt solely with the relationship between the department and its health insurance licensees.

C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

Employers will be required to change their current mini-COBRA notification forms to eliminate any reference to the federal subsidy. These forms are not filed with the department. Businesses knew that this law was temporary so probably had a small supply of these forms on hand that they now will have to dispose of. There should be just a small cost in the time it takes to change the form back to the way it was before the subsidy was made available and to make any hard copies they may want to have on hand.

D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

Insurers will need to change their notification forms to eliminate the reference to the subsidy. They too knew that this would be temporary and likely have very few on hand to dispose of and replace. This will be a minor cost to them. There will be some printing and paper costs to replace their current form.

Compliance Cost Information

8. Compliance costs for affected persons:

Insurers and employers will need to change their notification forms to eliminate the reference to the subsidy. They too knew that this would be temporary and likely have very few on hand to dispose of and replace. This will be a minor cost to them. There will be some printing and paper costs to replace their current form. The largest financial loss will be to the consumer who has been laid off from work and will now have to pay the full COBRA premium him or herself now that the federal subsidies are not available.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

The cost to employers will be minor as they adjust their notification forms to eliminate the reference to a premium subsidy and eliminate current forms. Whatever costs they do have will be in printing and paper.

B) Name and title of department head commenting on the fiscal impacts:

Neal T. Gooch

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

31A-2-201

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

Official Title of Materials Incorporated (from title page):
 Publisher:
 Date Issued:
 Issue, or version:
 ISBN Number:
 ISSN Number:
 Cost of Incorporated Reference:
 Adds, updates, removes:

Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

11/01/2010

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

11/08/2010

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):

mini-cobra
 insurance

File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Jilene Whitby Information

Date (mm/dd/yyyy): 09/14/2010